

## **CONNECTICUT LEGAL RIGHTS PROJECT, INC.**

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### **TESTIMONY OF JAN VANTASSEL, ESQ. PUBLIC HEALTH COMMITTEE February 21, 2007**

#### **SUPPORT FOR HB 5631 AN ACT CONCERNING STATE SPENDING ON COMMUNITY MENTAL HEALTH SERVICES**

My name is Jan VanTassel, and I am the Executive Director of the Connecticut Legal Rights Project, Inc. (CLRP). CLRP is a statewide non-profit agency which provides free legal assistance to low income adults with psychiatric disabilities on matter related to their treatment and civil rights. I served on both the Governor's Blue Ribbon Commission on Mental Health and Lt. Governor Sullivan's Mental Health Cabinet, as well as on numerous mental health advisory boards and councils.

I am testifying today in support of HB 5631, which outlines the measures that must be taken to assure that the state's community mental health system is protected as we move toward covering assertive community treatment (ACT) and community support services as optional Medicaid rehabilitation services.

The impetus for maximizing federal Medicaid revenue through rehabilitation services was the Governor's Blue Ribbon Commission report which was issued in July of 2000. That report documented a crisis-oriented system gridlocked by the lack of comprehensive community mental health services and housing options for adults and families. Among its recommendations was maximizing federal revenue through mechanisms such as the Medicaid program, and investing the new federal revenue into the mental health system.

The State has moved cautiously in this direction to assure that providers are prepared to comply with the federal mandates required for Medicaid reimbursement, and to monitor the impact on providers and persons in recovery. To its credit, the Department of Mental Health and Addiction Services has focused on assuring that the rehab option was implemented in a manner which promotes their recovery initiative and improves the system, not simply generates revenue.

This approach proved to be prudent, as the group home implementation identified a number of operational issues, such as a significant number of persons on spend down, and failure to document the link between client need and the service plan. Most importantly, however, they identified numerous people who did not need to live in the restrictive environment of a group home, and have been able to move to more independent settings.

As the state proceeds with incorporating two new services into the definition of rehabilitation services under the Medicaid State Plan, it is critical that implementation continue to be done in a manner which protects the already strained community mental health system. The transition from a grant funded approach, which allows the providers some flexibility in responding to inadequate cost of living increases, to the more rigid fee for service payments puts providers and the persons that they serve at risk unless a structure is established to protect them.

HB 5631 was drafted to outline the essential protections that are needed to assure that the transition to partial Medicaid funding of the mental health system follows the mantra of the medical profession; it does no harm.

This bill outlines some simple and straightforward steps that must be taken. At its most basic level, it would mandate that DMHAS continue to receive substantial state funds for the following specific purposes:

1. Cover persons who are not eligible for Medicaid;
2. Cover services that are not medical in nature and therefore, not reimbursable;
3. Cover provider costs associated with transition to the Medicaid program;
4. Continue investments in services to prevent unnecessary institutionalization such as housing and young adult services.

In addition, HB 5631 would mandate that the Medicaid rates paid to providers be cost based, with annual adjustments to assure that providers can afford to provide services to this vulnerable population.

Medicaid funding for community mental health services could provide additional resources to the state, and a mechanism to continue the recovery initiative if it is implemented properly. Without the protections of HB 5631, the state runs the very real risk of repeating the mistake it made when state hospitals were closed and the savings went to the General Fund, not to the community system.

We are still paying the price for the last broken promise to Connecticut's citizens with mental illness. We ask you not to compound it by making another.